



ASSOCIATION NEWS

1. On 17th February, 2021, the Principal Secretary, Department of Industrial Policy & Investment Promotion, Government of Madhya Pradesh, asked the Association to submit its feedback relating to existing Industrial Promotion Policy for amendments and also to make it more relevant in the given manufacturing scenario. The Association submitted its suggestions in respect of Textile Industries and Garment Manufacturing Sector on 23rd February, 2021. Some of the major suggestions include the following:

- Effective Single Window System.
- Reimbursement of 50% of Investment in land, building, machinery, etc. for skill development.
- Reimbursement of 50% operating cost of ETP for ZLD.
- Assistance for Energy Audit/Water Audit/Environmental Compliance upto 50%.
- Capital Subsidy of 15% for replacement of spinning machinery at par with MSME.
- Interest Subsidy of 7% for 6 years to all composite textile mills.
- Extension of Electricity Duty exemption and a Rebate of Rs.2.00/unit in addition to that allowed by MPERC.
- Introduction of differential wage structure.
- Utilization of land of non-operational units.
- Training and employment generation assistance at par with garment units.
- Removal of upper limit of 200% for all benefits under Garment Policy.

2. On 5th and 6th March, 2021, Textile Association (India) M.P. Unit organized All India Textile Conference at Jall Sabhagraha, Indore, which was supported by our Association and many of the Member

Mills. It was inaugurated by Shri Shankar Lalwani, Member of Parliament from Indore. Dr. Vedpratap Vedic was the Chief Guest. The technical sessions of the Conference were addressed by the following persons:

- Shri Badruddin Khan of MCX – Cotton Hedging.
- Shri Manish Daga of Cotton Guru – Present Status of Cotton in India.

- Shri Vishal Londhe of Sedex – Extending various Services in Supply Chain Management.
- Shri Ashok Pal, Vice President, ICC – Innovative Developments in Card Clothing.
- Shri Ketan Sanghvi from ITME Society – Innovation in Textile Machinery
- Shri Nilesh Trivedi, Asstt. Director, MSME – Government Schemes for MSME Sector.
- Shri Amit Chaudhary - Human Relations and their importance in Exports.
- Shri S. Pal, Director of Vardhman Group – Human Relations and their role in Textile Industry.
- CA Shri Sunil Jain – Amendments in GST Law effective from April, 2021.
- Shri Girish Patwardhan, Labour Law Consultant – New Labour Codes.
- Dr. P. N. Mishra from DAVV – Management Principles from Ramayan & Mahabharat.
- Dr. Kamlesh Bhandari, Economist – Become an Entrepreneur and not a Manager.
- Smt. Seema Mishra – Handloom industry in India.

3. On 20th March, 2021, we have sent a Representation to the Hon'ble Labour Minister of the State with the request to arrange vaccination (Covid-19) of Textile Mill employees at ESI Hospitals/Dispensaries and also at ESI approved Hospitals to ensure safety of the employees.

4. On 1st March, 2021, Shri Sudhir Kumar Agrawal, Chairman, Sagar Group, met the Hon'ble Chief Minister and submitted plans to invest Rs.600 crore for establishment of textile and food processing units employing about 2500 workmen.

5. Maral Overseas Limited has been declared winner of Gold Award in Textile Sector for Outstanding Achievement in Occupational Health & Safety by Apex India Foundation on 15th March, 2021. Our Congratulations.

6. In the year 2018, Pratibha Syntex Ltd., had conducted survey of employees inquiring from them about their dream. Following which, many employees scripted a dream of owning a house. Committed towards his workforce, Shri S.K. Chaudhary, Chairman of the Company had then promised to gift houses to employees in the year 2021. Coming true to its words, the



company management has fulfilled dream of 28 employees (including 14 women), whose CTC is equal to or below Rs. 25000, by presenting them houses in a Society situated in Pithampur near Sagore Kuti.

Meanwhile, 65 scholarships were presented to children of employees, who excelled in Board and College examinations, while 12 employees were presented 'Long Service Award' as a token of appreciation for completing 20 long years in the company. Our Congratulations.

RAW MATERIAL

1. The International Cotton Advisory Committee (ICAC) has made a forecast of global cotton consumption for 2020-21 cotton season of 24.20 million tons. The global cotton consumption is expected to outpace production, drawing stocks down by end of the season. Stock levels are expected to drop to 21.10 million tons by the end of current season. It has projected that imports by China and Pakistan will increase. China is expected to benefit from the price gap between domestic and foreign cotton. The price projection for the year end of 2020-21 will be Cotlook A Index 75.7 Cents/lb.



2. The US Department of Agriculture in its report for March, 2021, has estimated World cotton production at 113.32 million bales (480 lb. each) and consumption at 117.46 million bales. In respect of India, it has projected production of 29.00 million bales and consumption of 24.30 million bales.

3. The Cotton Association of India (CAI) in its release of 13th March, 2021, reduced the cotton production for the cotton season 2020-21 from 360.00 lakh bales to 358.50 lakh bales. The meeting of Committee on Cotton Production & Consumption (COCPC) of Ministry of Textiles was last held on 25th January, 2021 and it had estimated cotton production for the season 2020-21 at 371.00 lakh bales. The comparative position of estimates made by CAI and COCPC for the cotton season 2020-21 is as under:-

Quantity in Lakh Bales of 170 Kgs

State	CAI	COCPC	Arrivals till 28.02.21 (CAI)
Punjab	10.50	12.00	10.20
Haryana	22.00	25.00	21.14
Rajasthan	31.50	27.00	31.41
Gujarat	97.00	90.50	75.70
Maharashtra	80.00	86.00	73.31
Madhya Pradesh	18.00	21.00	15.99
Telangana	48.00	60.00	46.48
Andhra Pradesh	16.00	18.00	14.88
Karnataka	23.50	20.00	20.19
Tamil Nadu	7.00	5.00	3.72
Odisha	3.00	4.00	2.85
Others	2.00	2.00	1.70
Total	358.50	371.00	317.57

4. According to sources, cotton exports from the Country are likely to rise by 50% to 75.00 lakh bales by the end of this season. It will be due to revival of demand from China and Bangladesh. The exports can see a further boost, if Pakistan opts to import cotton from India. Indian cotton is cheapest in the World compared to US, Brazil and Australia.

5. As per reports, cotton farmers have taken advantage of higher

global prices resulting in atleast 80% of cotton production being sold. As a result, most of the ginning mills of north and west have shut their operations. Cotton Corporation of India have bought nearly 100 lakh bales as part of Centre's Procurement Plan and is reported to have stocks of around 92.50 lakh bales.

6. The Southern India Mills' Association (SIMA) has appealed for immediate intervention of the Prime Minister for removal of Anti-dumping Duty on Viscose Staple Fibre and also withdrawal of 10% import duty on cotton. Shri Ashwin Chandran, Chairman, SIMA, pointed out that industry is facing acute shortage of VSF. The industry is mixing imported cotton with indigenous cotton, as the availability of Indian ELS cotton is not even 20% of its requirement.

7. On 22nd March, 2021, the Cotton Corporation of India (CCI) has reduced the selling price of cotton as a onetime correction. International cotton prices had risen almost 12% in last two months and dropped at the same rate. According to Shri P. K. Agrawal, CMD of CCI, it did not increase the prices to that extent and its prices went up by only about 2%, it has reduced the prices to this extent. Amount of reduction differs according to variety of cotton.

8. The polyester manufacturers have reduced Polyester Staple Fibre (PSF) prices by Rs.5000/ton for April, 2021 deliveries, whereas the prices of Partially Oriented Yarn (POY) and Partially Texturized Yarn (PTY) have been reduced by Rs.4000/ton.

POWER

1. The High Court of Madhya Pradesh, Jabalpur Bench, in the matter of Nirmal Lohiya v/s the State of Madhya Pradesh & Others, have stayed passing of final orders in Public Notice (Petition No.5/2021) till next date of hearing, i.e., 26th April, 2021. This matter relates to announcing of Electricity Tariff by Madhya Pradesh Electricity Regulatory Commission (MPERC) for the year 2021-22.



2. The MPERC has approved levy and collection of Fuel Cost Adjustment Charges of One paise per unit for the billing quarter April-June, 2021.

3. According to reports, State Power Distribution Companies (DISCOMs) will receive grant in March each year under the Centre's New Results Linked Scheme only if, they achieve the milestones agreed for the previous fiscal. As per Rs.3 lakh crore programme, if a utility is found ineligible in any year, then the gap in funding to complete its projects will have to be met by the DISCOM from State Government. The Scheme was announced in Union Budget of 2021-22.

MAN POWER

1. The Labour Commissioner, Indore, has issued a Notification on 1st April, 2021, increasing Minimum Wages of all categories of workmen by Rs.12/- per day with effect from 1st April, 2021. The Minimum Wages payable to various categories till 30th September, 2021 are as under :-





Category	Basic	D.A.	Total P.M.	Total per Day
Unskilled	Rs.6500	Rs.2200	Rs.8700	Rs.335
Semi-Skilled	7057	2500	9557	368
Skilled	8435	2500	10935	421
Highly Skilled	9735	2500	12235	471

2. The State Government vide its Notification dated 16th March, 2021, has clarified that the grant of License of a factory online in Form No.3 can be for a period upto 10 years or more.

3. The Employees' State Insurance Corporation, New Delhi, has clarified on 11th March, 2021 that due to lockdown in March, 2020, a number of ESI covered units were shut down resulting non-payment of contributions towards ESI. Considering potential hardships to beneficiaries of such units, one time relaxation in entitlement criteria for ESI Contribution for the period with effect from 1st April, 2020 to 30th September, 2020, it will be assumed that contribution has been received and there is no break for processing entitlement of medical benefits.

4. According to Madhya Pradesh Economic Survey for 2020-21 placed in the State Assembly, the per capita income for 2020-21 has gone down by Rs.4,870 from Rs.1,03,288 in 2019-20 to Rs.98,418 in 2020-21. It is reported that it was due to closure of industrial activity on account of Covid-19.

5. Atal Beemit Vyakti Kalyan Yojna was introduced by ESIC on pilot basis for a period of two years with effect from 1st July, 2018 for providing relief to insured persons who have become unemployed. The Union Labour Minister informed the Rajya Sabha on 24th March, 2021, the details of claims/payments made under ABVKY during the period 1st July, 2018 to 18th March, 2021, which are as under:-

	No. of Claims Received	No. of Claims Approved	Amount Approved
All India	69,759	43,299	Rs.57,18,34,198/-
M. P.	2,810	1,943	Rs. 2,46,15,791/-

LEGAL & TAXATION

1. The Directorate General of Foreign Trade has issued on 1st March, 2021, Guidelines of online Module for Adjudication, Appeal, Review Proceedings under Foreign Trade (Development & Regulation) Act, 1992 and Foreign Trade (Regulation) Rule, 1993.

2. The Central Board of Indirect Taxes & Customs has issued a Notification on 8th March, 2021 reducing the limit for issue of e-way bills from Rs.100 crore to Rs.50 crore. E-Invoicing is now mandatory for taxpayers having aggregate turnover of more than Rs. 50 crore in any one of the four preceding financial years from 1st April 2021.

3. On 21st March, 2021, the Ministry of Finance has issued a Press Note clarifying that taxpayers are free to utilize the Input Tax Credit available in their credit ledger, as permissible in law, to discharge their GST dues for the month of March, 2021.



EXPORT & IMPORT

1. The Foreign Trade Policy 2015-2020 has been extended upto 30th September, 2021.

2. As per information available from the Cotton Textiles Export Promotion Council (TEXPROCIL), the exports of textile and clothing during the period April-February, 2020-21 were down by 17.05% as compared to the exports during the period April-February, 2019-20. The comparative figures of exports of various items are as under:-



Value in US\$ Million

Item	Apl-Feb. 2019-20	Apl-Feb. 2020-21	% Change
Cotton Yarn/Fabrics/ Made-ups, etc.	9318	8710	(-)6.53
MMYarn/Fabrics/ Made-ups, etc.	4471	3339	(-)25.32
RMG of all Textiles	14370	10845	(-)24.53
Jute Products	321	327	(+)1.74
Carpets	1291	1331	(+)3.16
Handicrafts, etc.	1674	1532	(-)8.49
Total Textiles	17075	15240	(-)10.75
Apparel	14370	10845	(-)24.53
Textiles & Apparel	31445	26084	(-)17.05
All Commodities	291870	256178	(-)12.23
% Share of T&A	10.8	10.2	

3. The import of raw cotton and waste were down by 73.28% and textile yarn/fabric/made-up articles by 27.38% during the period April-February, 2020-21 as compared to the imports during the same period of the previous year. The details of imports of these products are under:-

Product	Apl-Feb 2019-20	Apl-Feb 2020-21	% Change
Cotton Raw & Waste	1290	345	(-)73.28
Textile Yarn/Fabrics/ Made-ups, etc.	1836	1333	(-)27.38

4. The Man-Made Fibre (MMF) Industry in a meeting with the Ministry of Textiles Officials has opined that to boost India's share in global textile market, the Government should focus on entire value chain. Presently, MMF apparel are included in the Product Linked Investment (PLI) Scheme, however, fabrics which are integral part of the apparel are not included in the Scheme. Inclusion of entire value chain under PLI is imperative to meet the objectives of the Scheme.

5. The Secretary General, Polyester Textiles & Apparel (PTA) Users Association, Shri R. K. Vij, has submitted a Memorandum to the Secretary, Ministry of Chemicals & Fertilizers, urging inclusion of Polyester Staple Fibre (PSF), Partially Oriented Yarn (POY), Draw Texturized Yarn (DTY), Fully Drawn Yarn (FDY), etc. under the PLI Scheme for textile sector.

6. Shri Manoj Patodia, Chairman, TEXPROCIL, has appealed to the Government to continue with the Rebate of State & Central Taxes & Levies (RoSCTL) rates for cotton made-ups under the Remission of Duties & Taxes on Export Products (RoDTEP) Scheme, since the RoSCTL Scheme is subsumed under RoDTEP Scheme. This will help in sustaining the level of exports of made-ups across countries and in turn will also lead to substantial

employment generation.

7. To facilitate assessment of containers' requirement as well as its fulfillment, Federation of Indian Export Organizations (FIEO) has developed a first level market place, wherein exporters can post their container demands online. This e-module will help in ground level assessment of containers required in the Country, while simultaneously enabling the exporters to negotiate competitive quotes for their requirements. The containers requirement through this e-module are also made visible to shipping lines/freight forwarders, so that they can express their interest to fulfill such demand.

8. As per reports, differences between the Ministry of Commerce and Ministry of Finance over the quantum of benefits to be released under RoDTEP Scheme is expected to delay the finalization of refund rates for various product categories, affecting finalization of contracts by exporters. This new Scheme, which replaced MEIS is applicable with effect from 1st January, 2021, but in the absence of rates the exporters continue to remain in dark resulting in delay in certain shipments also.

STATE OF THE INDUSTRY

1. The Index of Industrial Production (IIP) data for the month of January, 2021 was released on 12th March, 2021 and are as under:

Items	For the Month		Cumulative		% Growth	
	Jan. 2020	Jan. 2021	Apl-Jan 2019-20	Apl-Jan 2020-21	Jan. 2021	Apl-Jan 2020-21
Textiles	122.2	115.4	117.1	86.0	(-)5.6	(-)26.6
Wearing Apparel	162.3	129.5	157.5	101.4	(-)20.2	(-)35.6

2. The National Committee on Textiles & Clothing (NCTC), which consists of various textile industry associations, CITI, TEXPROCIL, SRTEPC, PDEXCIL, AEPC, etc., called a meeting of all the stakeholders across the textile value chain on 12th March, 2021 and launched a Helpline Portal, i.e., <http://citiindia.org/yarn-form/form/form.php> for the fabric manufacturers having yarn shortage. The fabric manufacturers to post the details of non-availability/short supply of yarn, so as to find solutions on a 'here and now basis'. The system would enable direct buyer seller contract and would also curb speculations, hoardings, etc.



3. CITI/SIMA have humbly appealed to all the segments across the value chain on 26th March, 2021, to adopt the following B2B Model Code of Conduct for Yarn Trade to mitigate the unforeseen supply-demand mismatch:

- Every seller in the value chain to have transparent, firm and fair pricing and trading policies and ensure customer satisfaction.
- To meet the quality specifications and delivery commitments, so that the supply chain operates smoothly.
- To follow the list price (wherever prevalent) in a transparent manner and maintain stability in prices.
- Educate and give time-to-time feedback directly to the consumer regarding the raw material scenario and other challenges being faced by the industry so that the downstream sectors make their commitments accordingly.
- Buyers to have transparent and firm commitments for payments and switch over to cash purchase directly from the producer in a phased manner by having a continuous dialogue.
- Take necessary steps to curb speculation by having direct relationship with the buyers.
- Suppliers to reduce the credit facility in a phased manner to

sustain the smooth functioning of downstream sectors and prevent opportunity losses and job losses.

- Spinning mills may encourage direct purchase by the end consumers to the possible extent and minimize sale to traders and dealers.

• Both the buyers and sellers to have continuous dialogue and maintain good relationship; in case of any difficulty, the same may be uploaded in the helpline web portal of CITI.

4. Addressing the 9th Edition of TECHNOTEX 2021 organized by Federation of Indian Chambers of Commerce & Industry (FICCI), Chief of Defense Staff, Gen. B. P. Rawat, said that armed forces are keen to procure indigenized technical textiles and partner with Indian industries as a part of Atmanirbhar Bharat initiative. He stated that the Government will not hesitate to put the entire technical textile clothing requirement of armed forces on the negative list, if such clothing can sustain our jawans in extreme temperatures. Presently, a large amount of defense technical clothing is being imported.

TEXTILES IN PARLIAMENT

During the current session of the Parliament, a number of questions were raised about the textile sector, which were replied by Union Minister of Textiles, Smt. Smriti Zubin Irani. Some of the important information given in the Parliament is as under:-

1. In efforts to promote Technical Textiles, 92 application areas have been identified for mandatory use across 10 Central Ministries and 68 notifications have been issued for the same. IIT, Delhi, is conducting fresh baseline survey on Technical Textiles sector.

2. Seven Mega Textile Parks will be set up in next three years, which will enable the textile industry to become globally competitive, attract large investment and boost employment generation. Many other Schemes like PLI, ATUFS, Power-Text, SITP, SAGAM, SAMARTH, IPDS, RoSCTL, etc. are under implementation.

3. For revival of textile industry after Covid-19, Government decided to continue RoSCTL until such time it is merged with RoDTEP. To boost exports in MMF sector, Anti-Dumping Duty on PTA and Acrylic Yarn has been removed.

4. As per a Nielsen Baseline Survey of Power-loom Industry conducted during 2012-13, Country had 24,86,418 power-looms installed in the Country (39,979 in Madhya Pradesh). As per 4th All India Handloom Census, there are 28,23,382 handlooms in the Country (12,069 in Madhya Pradesh), which are manufacturing cloth and cloth products using variety of yarn.

5. With a view to support liquidity flow in the textile industry, 400 units were supported with release of part subsidy against bank guarantee amounting to Rs.100.36 crore under ATUFS and 20 units with Rs.42.52 crore under RR-TUFS. During the period April, 2020 to January, 2021, the cotton yarn production has been estimated at 2945.26 million kgs.

6. The Ministry of Textiles has been implementing TUFS since 1999 for up-gradation of textile industry in the Country. The Scheme aims to promote 'Ease of Doing Business' and achieve vision of generating employment and exports through 'Make in India' and 'Zero Effect Zero Defect' policy. During seven years from 2015-16 to 2021-22 Capital Investment Subsidy to various subsectors except spinning have been provided.